IMPACT OF MERGER ON ASSET AND LIABILITY MANAGEMENT PRACTICES OF SELECTED INDIAN PUBLIC SECTOR BANKS

A

Synopsis

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INTRODUCTION:

Asset and Liability Management (ALM) is a continuous process of managing the assets and liabilities of an organization in order to manage the continuous flow of cash i.e. inward and outward which helps in mitigating the liquidity risks that can arise due to the non-capability of timely payment of liabilities due. It helps in managing financial risks and liquidity risks in the long run arising due to mismatch in investments and liabilities undertaken. Traditionally, Asset and Liability Management used to be confined to the interest rate risks and liquidity risks of the financial institutions. But in the modern times, the scope of asset and liability Management has increased widely. It helps the financial institutions in taking care of their capital market risk, currency risk management, funding and capital management, profit planning and growth, foreign exchange risk etc. Asset and Liability Management techniques and processes are now also been adopted by insurance corporations. The main objective of Asset and Liability Management is to determine the mismatch of assets and liabilities through gap between funding needs and maturity.

"Assessing interest rate risk (IRR) within asset-liability management (ALM) policy is a central consideration of nearly every financial decision made and action taken by (banking) executives."

-Dr. Horald M. Sollenburge

Asset liability theory holds that when a bank simultaneously manages its assets and liabilities, it can measure, monitor, and control the effects of changing interest rate on income, asset values, liquidity, and regulatory capital, thereby protecting the future viability of the bank. Virtually all financial institutions depend on assets-liabilities management to stay afloat. In other words, financial institutions use ALM finance or ALM banking as their asset-liability management system. Asset liabilities management is probably the key asset management technique that banks use at present.

The Asset and Liability Management process rests on three pillars:

1. **Asset and Liability Management Information System**

(i) Management Information System

(ii) Information availability, accuracy, adequacy and expediency

2. Asset and Liability Management Organization

(i) Structure and responsibilities

(ii) Level of top management involvement

3. Asset and Liability Management Process

(i) Risk parameters

(ii) Risk identification

(iii) Risk measurement

(iv) Risk management

(v) Risk policies and tolerance levels.

1. Asset and Liability Management Information System

ALM has to be supported by a management philosophy which clearly specifies the risk policies and tolerance limits. This framework needs to be built on sound methodology with necessary supporting information system as the central element of the entire ALM exercise is the availability of adequate and accurate information with expedience. Thus, information is the key to the ALM process. The present guidelines would require comparatively simpler information system for generating liquidity gap and interest rate gap reports.

2. Asset and Liability Management Organization

Successful implementation of the risk management process would require strong commitment on the part of the senior management in the financial institutions, to integrate basic operations and strategic decision making with risk management. The Board should have overall responsibility for management of market risks and should decide the risk management policy of the financial institutions and set limits for liquidity, interest rate, exchange rate and equity price risks. The Asset-Liability Committee is a decision-making unit, consisting of the financial institutions' senior management including CEO, responsible for integrated balance sheet management from risk-return perspective including the strategic management of interest rate and liquidity risks.

3. Asset and Liability Management Process

Asset-liability management itself is a process of measuring and managing different types of risks vital for the effective operations of financial institutions. The scope of ALM process covers risks such as liquidity risk, market risk, trading risk, funding & capital planning and profit planning & growth projection.

With liberalization in Indian financial markets over the last few years and growing integration of domestic markets with external markets, the financial institutions are exposed to several major risks in the course of their business – generically classified as credit risk, market risk and operational risk – which underlines the need for effective risk management systems in financial institutions. The financial institutions need to address these risks in a structured manner by upgrading the quality of their risk management and adopting more comprehensive Asset and Liability Management Practices than has been done hitherto.

Banking in India: An overview

Banking is an industry that deals with credit facilities, storage for cash, investments, and other financial transactions. The banking industry is one of the key drivers of most economies because it channels funds to borrowers with productive investments.

India has its own history about evolution of banks. In India, banking has its roots since ancient times as the Vedas themselves has the mention the concept of usury, with the word Kusidin translated as "usurer". The Jatakas, Dharamshastras and Kautilya also mention the existence of loan deeds called mapatra, mapanna or malekhaya. Later during the Mauryan period an instrument called adesha which corresponds to a definition of a modern bill of exchange. Two types of loan deeds known as dastawez have been recorded in the Mughal Era. The dastawez-e-indultalab was payable on demand and dastawez-e-maidi was payable after stipulated time. The evolution of Hundis also occurred during this period.

Modern form of banking in India originated since 18th century. Among the first banks were the Bank of Hindustan which was established in 1770 and liquidated in 1829-32 and the General Bank of India was established in 1786 but failed in 1791. The largest and the oldest bank which is still in existence

is the State Bank of India (SBI). It originated as Bank of Calcutta in 1806 which was renamed as Bank of Bengal in 1809. Along with it, two other banks i.e. Bank of Bombay (1840) and Bank of Madras (1843) were merged in 1921 to form Imperial Bank of India which after independence became State bank of India in 1955. It acted as a quasi-central bank until the establishment of Reserve bank of India in 1935 under the Reserve Bank of India Act, 1934. In 1969, Government of India nationalized 14 major private banks. In 1980, 6 more private banks were nationalized. These nationalized banks are the majority of lenders in the Indian economy. They dominate the banking sector because of their large size and widespread networks.

Indian banking system has achieved various milestones in a relatively short amount of time. This is the world's largest and most diverse democracy which itself is a challenge as the companies have to cater to such a diverse customer base. It is part and parcel of the agenda of the government to reform the banking sector by repositioning and integrating it into the global financial system. In the recent years, the banking industry has been undergoing massive mergers and acquisitions in order to achieve bank consolidation. Mergers and amalgamations assist the institutions in scaling up fast and gaining a bigger number of new consumers so as to improve their balance sheets and cash flow statements. An acquisition or a merger not only offers a bank more capital to work with in terms of giving out loans and making investments, but it also helps in the expansion of the banks' geographic reach which have had a major impact on the banking sector.

Here, in this study, we are considering the merger came into effect from 1st April, 2020 under which 7 public sector banks have been merged into 3 public sector banks which are:

1. **Canara Bank:** Canara Hindu Permanent Fund was founded by Shri Ammembal Subba Rao Pai, a great visionary and philanthropist, in July 1906, at Mangalore (Karnataka). Its incorporation took place in 1910 with the name Canara Bank Limited. Canara Bank got nationalized in the 1st phase of nationalization which held in 1969. In June 2006, the bank has completed a century of operations in the Indian banking industry. As at Dec 2021, it services over 10.6 crore customers through a network of 9,773 branches and 12,221 ATMs/Recycler spread across all Indian states and Union Territories. Presently, headquarters of Canara Bank is situated in Bangalore (Karnataka) and the Chief Executive Officer is Lingan Venkat Prabhakar. On 30 August 2019, Finance Minister Nirmala Sitharaman

announced the merger of Syndicate Bank into Canara Bank. The Board of Directors of Canara Bank approved the merger on 13th September 2019. The Union Cabinet approved the merger on 4th March 2020. The merger was completed on 1st April 2020 and came into effect from the same date.

(i) Syndicate Bank: "Canara Industrial and Banking Syndicate Limited" was founded by Upendra Ananth Pai, T. M. A. Pai and Vaman Srinivas Kudva in 1925 in Manipal. The bank was nationalized on 19th July, 1969 by the Government of India. In 1975, it established the first Regional Rural Bank (RRB) of India, Prathama Bank in Moradabad, Uttar Pradesh. Since 1976, it sponsored a number of banks at different places. On 1st April 2020, Syndicate Bank was taken over by Canara Bank. Its Chairman and Chief Executive Officer were T. N. Manoharan and L. V. Prabhakar respectively until 2020.

1. Union Bank of India: Union Bank of India was established by Seth Sitaram Poddar in November 1919 at Bombay. Union Bank got nationalized in July, 1969 in the 1st phase of nationalization. As in March 2021, it services over 12 crore customers through a network of 9,316 branches and 12,957 ATMs. Headquarter of Union Bank is situated in Mumbai (Maharashtra) and the Managing Director and Chief Executive Officer is Rajkiran Rai G. presently. On 30 August 2019, Finance Minister Nirmala Sitharaman announced the merger of Andhra Bank and Corporation Bank into Canara Bank. The Board of Directors of Union Bank approved the merger on 13th September 2019. The Union Cabinet approved the merger on 4th March 2020. The merger was completed on 1st April 2020 and came into effect from the same date.

(i) Andhra Bank: Andhra Bank was founded by Bhogaraju Pattabhi Sitaramayya in 1923 at Machilipatnam (Madras). Raja Yarlagadda Sivarama Prasad was the individual who committed the financial resources for starting the institution. It was registered on 20th November 1923 and commenced its operations on 28th November 1923. In 1956, its registered office shifted in Hyderabad. Andhra Bank was nationalized in April 1980 by the Government of India. On 1st April 2020, Andhra Bank was taken over by Union Bank of India. Their Chairman and Chief Executive Officer were J. Packirisamy until 2020.

(ii) Corporation Bank: Corporation Bank was founded by Haji Abdulla Haji Kasim Sahib Bahadur and guided by the principles of Swadeshi Movement of Bal Gangadhar Tilak. It was registered on 12th

March 1906.Itsheadquarter was situated in Mangalore (Karnataka). Corporation Bank was nationalized in April 1980 by the Government of India. On 1st April 2020, Andhra Bank was taken over by Union Bank of India. Its Chairman and Chief Executive Officer was P. V. Bharathi until 2020.

2. Indian Bank: Indian Bank of India was established by S. Rm. M. Ramaswami Chettiar in August 1907 at Chennai. Indian Bank got nationalized in July, 1969 in the 1st phase of nationalization. As in March 2021, it services over 10 crore customers through a network of 6,004 branches and 5,428 ATMs. Headquarter of Indian Bank is situated in Chennai (Tamil Nadu) and the Managing Director and Chief Executive Officer is Shantilal Jain presently. On 30 August 2019, Finance Minister Nirmala Sitharaman announced the merger of Allahabad Bank into Indian Bank. The Union Cabinet approved the merger on 4th March 2020. The merger was completed on 1st April 2020 and came into effect from the same date.

(i) Allahabad Bank: Allahabad Bank was founded by a Group of Europeans on 24th April 1865 in Allahabad (Uttar Pradesh). In 1923, bank shifted its headquarters from Allahabad to Kolkata. The bank was nationalized on 19th July, 1969 by the Government of India. On 1st April 2020, Allahabad Bank was taken over by Indian Bank. Its Chairman and Chief Executive Officer was Ch. S. S. Mallikarjun Rao until 2020.

REVIEW OF LITERATURE:

A literature review is **a piece of academic writing demonstrating knowledge and understanding of the academic literature on a specific topic placed in context**. A literature review also includes a critical evaluation of the material and past studies which have been conducted nationally as well as internationally. The literature review surveys scholarly articles, books, and other sources relevant to a particular area of research.

For the purpose of review, studies have been divided into two categories on the basis of the journals in which they have been published i.e. International Reviews and National Reviews. Further, the studies have been arranged in chronological order on the basis of their publication year.

Table 1: International Reviews:

S. No.	Year	Author	Title	Objectives	Conclusions
1.	2022	Hasmania et al.	The Effect of Financial Risk, Capital Structure, Banking Liquidity on Profitability, Operational Efficiency as Intervening Variables in Persero banks and Private Commercial Banks	To analyze the effect of financial risk, capital structure and liquidity on operational efficiency and profitability of state-owned banks and private commercial banks.	Through this study, the researcher has concluded that capital structure and financial risk have negatively significant effect on operational efficiency and profitability of the selected banks respectively while credit risk shows positively significant impact on operational efficiency of the banks.
2.	2021	Sumirat D.E., Rahmi Y.	A Study of the Impact of ALM to Profitability during COVID-19 Pandemic	To examine the relationship between asset-liability management and profitability of Commercial Banks in Indonesia as the short-term impact of COVID-19 in 2020.	Through this study, statistically significant relationships has been found for most asset and liability management primary variables, such as Capital Adequacy Ratio, Cost to Income Ratio and Loan to Deposit Ratio
3.	2021	Owusu F. B., Alhassan A. L.	Asset-Liability Management and bank profitability: Statistical Cost Accounting Analysis from an emerging market	To examine the relationship between profit and Asset-Liability Management (ALM) structureof27 banks in Ghana over the period from 2007 to 2015.	This study implies that ALM has direct impact on the overall performance of banks and the researcher has found the need of identification of assets with higher returns and liabilities with lower cost by the banks in order to increase their profitability.
4.	2019	Kant A., Koli L. N.	Impact of Merger and Acquisition on Financial Performance of Selected Companies: Pre and Post Merger Analysis of RIL and Network 18 Merger	To analyze the financial performance of RIL and Network 18 and to know the impact of merger on RIL and Network 18.	Through this study, the researcher has concluded that no alteration in net profit could be found while a significant change was found in the net worth of the companies during pre and post merger period.
5.	2018	Anthony D. K. P. P., Manimegalai J.	An Empirical Study of Asset Liability Management Approach By The Indian Banks	To Evaluate the impact of Asset Liability Management on profitability of banks using Ratio Analysis.	Through this study, the researcher has concluded that ALM is a crucial process for every bank and banks need to

					consider and manage their ALM in order to increase their profitability.
6.	2018	Pragathi K. M., Veena K. P.	An Analysis of Asset Liability Management in Banking Sector : A Case Study of Kotak Mahindra Bank	To assess the profitability position of Kotak Mahindra Bank, To analyze the performance of Debt Coverage Ratio of Kotak Mahindra Bank	Through this study, the researcher has concluded that bank was performing satisfactorily in terms of Credit Deposit Ratio, Quick Ratio but there was need to improve and maintain consistency in Net Profit Margin and Total Income.
7.	2017	Vajan R. B., et al.	A Study on Asset and Liability Management	To compare the Asset and Liability variance and its impact on the profitability of banks. To identify the Asset Liability performance of Indian Overseas Bank.	Through this study, the researcher has concluded that ALM is a daily process and should be managed cautiously as it may cause irreversible harm to the banks in terms of liquidity, profitability and solvency if not observed correctly.
8.	2017	Tee E.	Asset Liability Management and the Profitability of Listed Banks in Ghana	To investigate the relationship that existed between the asset-liability management and the profitability of banks listed on the Ghana Stock Exchange for the period of five years from 2008 to 2012.	Through this study, the researcher has concluded that in the Ghanaian commercial banking market, assets management positively affects the profitability of banks while liability management has negative effect on the profitability of banks.
9.	2017	Prabhakar S., Mathivanna n D. S.	Asset Liability Management – A Comparative Study on Public Private and Foreign Sector Commercial Banks in India	To compare the growth rates of assets and liabilities of different sectors of commercial banks in India.	Through this study, it has been concluded that asset-liability management is one of the vital tool for risk management in banks and banks have to work properly with regard to the ALM so as to increase their performance.
10.	2017	Mamati M. W., et al.	Effect of Asset Liability Management on Liquidity Risk of Micro – Finance Banks in Kenya: A Survey of Banks in	To determine the influence of asset liability management on the liquidity risk of micro-finance banks in Kenya.	Through this study, the researcher has concluded that asset liability management had a strong positive effect on liquidity risk management i.e. an

			Nairobi Country		increase in liquidity stress testing is likely to result in increase in Liquidity risk management
11.	2015	Sheela P., Bastray T.	Asset-Liability-Management– A Comparative Study of Public and Private Sector Banks	To understand the key policy decision regarding the strategic Asset Liability Management and to understand asset liability management with reference to banks.	Through this study, the researcher has concluded that both banks are performing satisfactorily in terms of profitability and adequacy but they need to address the immediate concern of liquidity.
12.	2014	Sheela P., Bastray T.	Effect of Asset – Liability Management on Commercial Banks Profitability in Indian Financial Market - A Case Study of Two public Sector Banks	To explore strength of asset liability linkages for banks. To evaluate the impact of ALM on profitability of banks	Through this study, the researcher has concluded that both banks are performing satisfactorily in terms of profitability and adequacy, but they need to address the immediate concern of liquidity.
13.	2014	Surjith S., Sathyanaray ana N.	A Study on Asset and Liability Management in ICICI Bank	To enable the efficient utilization of the available funds and proper management of the assets and liabilities and to analyze the correlation between the various assets and liabilities.	Through this study, the researcher has concluded that company is expected to increase its profitability by a higher margin through various ways to contribute to the development of the industry and economy.
14.	2013	Ryan R. J., et al.	The Evolution of Asset Liability Management	To describe the history and evolution of Asset-Liability Management.	Through this study, the researcher has described the meaning, history, evolution and need of ALM for the scenario of 2013.

Table 2: National Reviews

S. No.	Year	Author	Title	Objectives	Conclusions
1.	2022	Tanwar J., et al	Comparative Analysis of Employees' Perspective on Asset-Liability Management in Banks	To compare and analyze strategies followed to manage assets and liabilities by selected private and public sector banks	Through this study, the researcher has found that both public and private banks have formed AlCOs according to the institutions' size, organizational complexity and

					business mix to optimize their returns while adhering to the policies of RBI.
2.	2020	Tanwar J., et al.	Mathematical Model of Asset and Liability Management in Banks using Goal Programming and Arithmetical Hierarchy Programming.	To determine the optimal structure of assets and liabilities for Indian commercial banks to analyze the implication of model formed.	Through this study, the researcher has concluded that the optimum utilization of fixed and current assets can also increase the efficiency of the banks also the GP model was found to be effective and straight forward to set targets and constraints to generate optimum solution.
3.	2018	Hugar S.S., Manohar R. K.	Maturity Pattern of Assets and Liabilities: A Case Study of Canara Bank	To analyze the maturity pattern of assets and liabilities of the bank and to analyze maturity gap between total inflows and total outflows of Canara Bank.	Through this study, the researcher has concluded that negative effect of unexpected changes on the interest rates on the bank's NII in respect of assets and liabilities maturing within short period time buckets is neutralized by the positive effect of assets and liabilities maturing during the long period.
4.	2017	Srinivasan S., Britto John	Analysis of Financial performance of Selected Commercial Banks in India	To compare and analyze the financial performance of selected private and public sector banks	Through this study, the researcher has concluded that liquidity, solvency and turnover ratios have positively significant impact on the profitability of banks while financial performance of private sector banks was better than public sector banks.
5.	2015	Shrestha S.	Asset Liability Management and Banks' Profitability in Nepal	To ascertain the impact of assets and liabilities on profitability of commercial banks.	From this study, it can be concluded that assets have positive impact on commercial banks' profitability. Liabilities have negative impact on commercial banks' profitability.

6.	2014	Dash M.	A Study of the Impact of Asset-Liability Management on the Profitability of Banks in India	To examine the impact of asset-liability management on the profitability of the banks.	The results of the study indicate that most of the banks are exposed to short term risk, with negative maturity mismatches. However, the regression results indicate that there is an incentive to maintain negative maturity mismatch in the short-term, as this improves profitability.
7.	2013	Singh P. K.	Asset-Liability Approach in Banks : A Dynamic approach	To compare and analyze the asset-liability maturity gap of scheduled commercial banks in India to measure liquidity risk along with techniques of interest rate risk and impact of ALM on profitability of banks.	Through this study, the researcher has suggested that there is much scope for banks to improve profitability by monitoring and reducing short term liquidity and have greater scope to manage interest rate risk through various techniques.
8.	2013	Novickyte L., Petraityte I.	Assessment of banks asset-liability management: problems and perspectives (case of Lithuania)	To analyze Lithuanian banking sector ALM activity and make assumptions of how sustainable the sector was during the different business cycle stages.	Through this study, the researcher has revealed that there is a close relationship among the assets and liabilities of commercial banks and foreign bank branches in Lithuania and GDP, although the relationship between the cyclical components is moderate.
9.	2010	Dash M., Pathak R.	A Linear Programming Model for Assessing Asset-Liability Management in Banks	To develop a model describing optimal strategy for the management of assets and liabilities.	Through this study, the researcher has concluded that banks must carefully maintain and monitor their asset-liability positions, balancing profitability, liquidity, and interest rate risk.

RESEARCH GAP:

As already stated Asset and Liability Management is a continuous process so it should be considered perpetually by banks as well as other organizations in order to increase their efficiency and profitability. A number of studies have been conducted regarding Asset and Liability Management Practices in banking sector in India and in other countries. But it has been observed that no particular study has been conducted regarding Asset and Liability Management Practices while considering the merger taking place in Indian Banking Sector. In this study merger of 7 Public Sector banks into 3 (came into effect from 1st April, 2020) has been considered for the purpose of assessing the implementation and impact of assets and liabilities management during Pre and Post merger period.

NEED OF THE STUDY:

Today, India is going through the process of merger and acquisition in banking sector which creates a dire need to provide specific attention towards the management of Assets and Liabilities of banks as in whole to save them from liquidity risks and crisis to maintain their operational efficiency. The main purpose of this study is to make bank fully prepared to face adverse circumstances at present and also in future. This study will help the banking organizations in formulating, implementing, monitoring and revising strategies related to assets and liabilities management in order to achieve the financial objectives of the organizations.

OBJECTIVES:

1. To study the need of Asset and Liability Management Practices and their implementation in selected Indian Public Sector Banks in present scenario.
2. To identify the factors of Asset and Liability Management affecting the operational efficiency of selected Indian Public Sector Banks during pre and post merger period.
3. To examine the impact of Asset and Liability Management Practices on the operational efficiency of selected Indian Public Sector Banks during pre and post merger period.
4. To analyze the impact of Asset and Liability Management Practices on the profitability through operational efficiency of selected Indian Public Sector Banks during pre and post merger period.

5. To analyze the disclosure of challenges faced by Asset and Liability Management Committee of selected Indian Public Sector Banks in ensuring the optimal management of assets and liabilities during pre and post merger period.

RESEARCH HYPOTHESES:

H_{01}: There is no significant relationship between factors of Asset and Liability Management and operational efficiency of selected Indian Public Sector Banks during pre and post merger period.

H_{02}: There is no significant impact of factors of Asset and Liability Management Practices on the operational efficiency of selected India Public sector Banks during merger period.

H_{03}: There is no significant impact of operational efficiency on profitability of selected Indian Public Sector Banks during pre and post merger period.

RESEARCH METHODOLOGY:

Research methodology refers to the techniques used to find and analyze information for a study, ensuring that the results are valid, reliable and that they address the research objectives. The methodology that will be adopted to pursue this study is as follows:

Research Design:

Explanatory and analytical research design will be used for the purpose of attaining the objectives of this study.

Collection of Data:

The required data will be collected from Secondary Sources.

Secondary Data: Secondary data will be collected from various sources like: Annual Reports of selected public sector banks, Banks' websites, Magazines, Research Papers, Trade Periodicals and Newspapers etc.

Sample Criteria:

Convenient Sampling Technique will be used for this study i.e. merger of Public Sector Banks came into effect from 1st April, 2020 will be considered for the purpose of this study in order to avoid duration gaps.

Sample Size:

For the purpose of this study, 7 Public Sector Banks merged into 3 Public Sector Banks will be considered to assess their ALM policies and practices i.e.

Table 3: Banks selected for this study

S. No.	Acquirer Bank	Acquired Bank
1.	Indian Bank	Allahabad Bank
2.	Union Bank of India	Andhra Bank Corporation Bank
3.	Canara Bank	Syndicate Bank

Duration of Study:

A total duration of 6 years consisting of 3 financial years of Pre-Merger Period and 3 financial years of Post-Merger period will be considered for the purpose of this study i.e. from 1st April, 2017 to 31st March, 2023.

Data Analysis and Tools:

In order to meet out the objectives of the study, various accounting ratios will be used as the indicators of our variables. Some of them are as follows:

(i) Factors of Asset and Liability Management: Net Interest Margins, Pricing of Assets and Liabilities, Inflation Rate etc.

(ii) Liquidity Risk: Current Ratio, Quick Ratio, Capital Structure i.e. Loans to Advance Ratio etc.

(iii) Operational Efficiency Ratio: Cost to Income Ratio.

(iv) Profitability Ratio: Net Profit Margins, Return on Asset Ratio, Return on Equity, Return on Net Worth etc.

Relevant statistical tools like Mean, Standard Deviation etc and presentation tools like tables, charts, graph etc will be used in order to meet out the purpose of this study.

Table 4: OBJECTIVEWISE METHODOLOGY:

S. No.	Objectives	Methodology
1.	To study the need of Asset and Liability Management Practices and their implementation in selected Indian Public Sector Banks in present scenario.	To obtain this objective, the researcher will study the previously available literature related to the evolution and guidelines of RBI regarding Asset and Liability Management Practices.
2.	To identify the factors of Asset and Liability Management affecting the operational efficiency of selected Indian Public Sector Banks during pre and post merger period.	To attain this objective, the researcher will conduct a correlation analysis to assess the relationship between operational efficiency and factors of Asset and Liability Management.

3.	To examine the impact of Asset and Liability Management Practices on the operational efficiency of selected Indian Public Sector Banks during pre and post merger period.	To attain this objective, the researcher will assess the impact of Asset and Liability Management Practices on operational efficiency ratio of selected banks during pre and post merger period and required statistical tools will be used to test the related hypothesis.
4.	To analyze the impact of Asset and Liability Management Practices on the profitability through operational efficiency of selected Indian Public Sector Banks during pre and post merger period.	To attain this objective, the researcher will assess the impact of operational efficiency on profitability of selected banks during pre and post merger period and required statistical tools will be used to test the related hypothesis.
5.	To study and analyze the disclosure of the challenges faced by Asset and Liability Committees of selected Indian Public Sector Banks in ensuring the optimal management of assets and liabilities during pre and post merger period.	To obtain this objective, the researcher will go through the information regarding asset and liability management in annual reports, websites and bulletins published by the banks.

Table 5: PROPOSED CHAPTER PLAN:

S. No.	Chapter name
Chapter 1	Introduction
Chapter 2	Review of Literature and Research Methodology
Chapter 3	Asset and Liability Management: Evolution and Implementation
Chapter 4	Impact of Asset and Liability Management Practices on Operational Efficiency
Chapter 5	Asset and Liability Management Committee: Disclosure of Challenges
Chapter 6	Findings, Conclusion and Suggestions
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